

FISCAL NOTE

SB 2829 – HB 3957

February 27, 2006

SUMMARY OF BILL: Exempts motor vehicles used exclusively for the transportation of handicapped persons in a program under contract with a local board of education or the division of mental retardation services from any gasoline or petroleum taxes.

ESTIMATED FISCAL IMPACT:

**Decrease State Revenues – \$5,000 - General Fund
\$13,500 - Highway Fund**

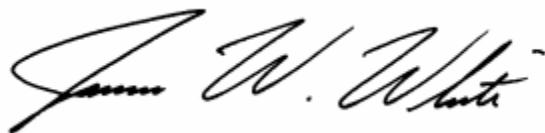
Decrease Local Govt. Revenues - \$11,500

Assumptions:

- Three vehicles per county used for the specified purposes (285 vehicles used in all).
- Each vehicle is driven an average of 150 miles per week (7,800 miles per year)
- Total mileage equal 2,223,000 (7,800 vehicle miles X 285 vehicles = 2,223,000 total miles).
- Each vehicle averages 15 miles per gallon.
- Number of gallons required is estimated at 148,200 (2,223,000 total miles ÷ 15 mpg = 148,200 gallons required).
- Gasoline tax is \$0.20 per gallon.
- The decrease of Gasoline Tax revenue is estimated at \$30,000 per year (148,200 gallons X \$0.20 = \$29,640).
- Gasoline Tax revenue distributions approximately 16% to General Fund and Debt Service; 45% to Highway Fund; and 39% to local governments.
- This act shall take effect on July 1, 2006.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director